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# SENATE BILL No. 221

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** None (noncode).

**Synopsis:** Reorganization of state health agencies. Transfers the office of Medicaid policy and planning and the division of mental health and addiction from the office of the secretary of family and social services to the state department of health on January 1, 2006. Requires the governor to report to the legislative council regarding statutory changes needed to make this transfer. Requires the legislative services agency to prepare legislation for the 2006 regular session of the general assembly to change statutes affected by the transfer.

**Effective:** July 1, 2005.

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**Miller**

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January 4, 2005, read first time and referred to Committee on Health and Provider Services.

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First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

## SENATE BILL No. 221

A BILL FOR AN ACT concerning health.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. [EFFECTIVE JULY 1, 2005] (a) **On January 1, 2006,**  
2 **the following occur:**

3       (1) **The powers, duties, and functions of:**

4           (A) **the office of Medicaid policy and planning established**  
5 **by IC 12-8-6-1; and**

6           (B) **the division of mental health and addiction established**  
7 **by IC 12-21-1-1;**

8       **are transferred to the state department of health.**

9       (2) **The federal designation that the office of Medicaid policy**  
10 **and planning is the state's single state agency for the**  
11 **administration of the state's Medicaid program continues**  
12 **with the office of Medicaid policy and planning under the**  
13 **state department of health.**

14       (3) **The property and records of:**

15           (A) **the office of Medicaid policy and planning; and**

16           (B) **the division of mental health and addiction;**

17 **are transferred to the state department of health.**

18       (4) **Any appropriations made to:**

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(A) the office of Medicaid policy and planning; or

(B) the division of mental health and addiction;

are transferred to the state department of health.

(5) An individual who is an employee on December 31, 2005, of:

(A) the office of Medicaid policy and planning; or

(B) the division of mental health and addiction;

becomes an employee of the state department of health on January 1, 2006. The employee is entitled to have the employee's service before January 1, 2006, recognized for the purpose of computing retention points under IC 4-15-2-32 if a layoff occurs and for all other applicable employee benefits.

(6) Any rules adopted before January 1, 2006, by:

(A) the office of Medicaid policy and planning; or

(B) the division of mental health and addiction;

are considered after December 31, 2005, rules of the state department of health. The state department of health shall amend references in rules to indicate that the state department of health and not the office of the secretary of family and social services is the entity that oversees the administration of programs under the office of Medicaid policy and planning and the division of mental health and addiction.

(7) Any contracts or liabilities associated with:

(A) the office of Medicaid policy and planning; or

(B) the division of mental health and addiction;

are transferred to the state department of health.

(8) A reference in a statute to:

(A) the office of Medicaid policy and planning; or

(B) the division of mental health and addiction;

is considered after December 31, 2005, a reference to that entity within the state department of health.

(b) Not later than August 1, 2005, the governor shall report to the legislative council any statutory changes necessary to accomplish the transfer of powers, duties, and functions required under this SECTION. The report must be submitted in an electronic format.

(c) The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to make appropriate changes in statutes that are required by this act.

(d) This SECTION expires December 31, 2008.

SECTION 2. [EFFECTIVE JULY 1, 2005] (a) As used in this

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1     **SECTION, "office" refers to the office of Medicaid policy and**  
2     **planning established by IC 12-8-6-1.**  
3     **(b) The office shall apply to the United States Department of**  
4     **Health and Human Services to amend the state Medicaid plan to**  
5     **make any changes necessary as a result of the transfer of the office**  
6     **of Medicaid policy and planning to the state department of health.**  
7     **(c) The office shall apply for an amendment described in**  
8     **subsection (b) in a timely manner that will allow the transfer of**  
9     **powers, duties, and functions described in SECTION 1 of this act**  
10    **to occur on January 1, 2006.**  
11    **(d) This SECTION expires December 31, 2008.**

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